

March 3, 1960

Dan:

Subject: Contract PR-8200

Attached is our definitive proposal for the work contemplated on the above contract. This proposal is based on the 18" f/3.8 system which is described in Document No. 119, attached. This proposal is based on the contract extending through June 1962 so that it will be completed with final acceptance of the last of the six (6) systems.

Our proposal consists of the following documents:

- A. Statement of Work, Attachment I
- B. Cost Data, Attachment II (Exhibits "A" through "F")
- C. Terms and Conditions, Attachment III
- D. Contractor's Document No. 119, Attachment IV

The estimated costs presented in this proposal are based on the following:

1. This proposal covers only the services, materials, etc., to carry the program through the time that all units have been accepted. It does not include any "operational" field service, M & O, or spare parts. A budget estimate for these items will be submitted separately in the near future.
2. A single quartz window glazing has been included. If it proves necessary to provide a more complex window, we propose that this be considered a change in scope.

You will note that the Statement of Work under paragraph 1.2 indicates that we have completed Item 1 and are submitting our recommendation in Document No. 119, which is Attachment IV. We are proceeding with the final design of the system under Item 2 of the Statement of Work and would, therefore, appreciate your approval of Item 1 as indicated in the Statement of Work.

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Forwarded to Sid

In regard to the no-charge usage of facilities requested under paragraph II.A. of Attachment III, it will be necessary that New York Air Procurement District be furnished with a letter which states that this contract (AF 33(600)-37827) was negotiated on the basis of such no-charge usage.

For your information we have attached a draft of such a letter. When we receive a copy of this letter, we can then take appropriate administrative action with the Administrative Contracting Officer on Contract AF 33(600)-28501.

Please do not hesitate to contact me if you require any additional information.



Charlie

CMH: pma

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Attachments

March 2, 1960
Attachment II

COST DATA

The cost data is presented as follows:

1. Individual cost sheets for each major task, Exhibits "A" through "F".
2. Summary of prime costs by cost elements based on Exhibits "A" through "F", Schedule "A".
3. Cost breakdown by items, Schedule "B".
4. Summary of estimate, Schedule "C".
5. Estimated fiscal funding by quarters, Schedule "D".
6. Capital equipment requirements, Attachment "A".

1. Estimated Costs for Prototype

(Reference Document # 84 for Descriptions of Activities)

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A. Project Direction (21 months)

B. Project Control (21 months)

C. Creative Engineering (Excluding Windows)

1. Engineering

2. Purchases

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3. Fabrication

4. Sub Contract

5. Travel

6. Reports and Printing

D. Reliability

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1. Engineering

2. Fabrication

3. Sub Contracts

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a. Vibration

b. V/H Sensor

**c. Environmental
Tests**

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4. Travel

E. Hardware (Excluding Windows)

1. Glass

a. Material

b. Fabrication

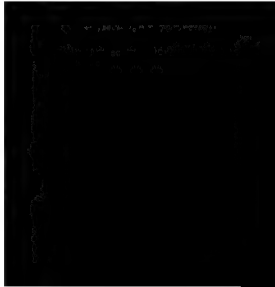
c. Tooling

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2. Metal

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- a. Material
- b. Fabrication
- c. Sub Contract
- d. Tooling



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- 3. Purchases
- 4. Quality Control
- 5. Travel



F. Windows

1. Development

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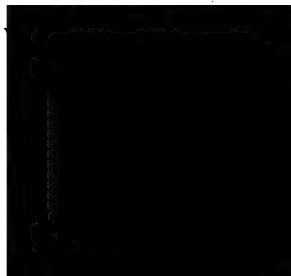
- a. Engineering
- b. Fabrication
- c. Purchases
- d. Sub Contracts
- e. Travel



2. Manufacturing

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- a. Material
- b. Fabrication
- c. Quality Control
- d. Tooling



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Exhibit B

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2. Estimated Costs for Field Support Equipment

(Reference Document #84 for Description of Equipment)

- A. Engineering
- B. Glass
- C. Purchases
- D. Fabrication
- E. Sub Contract
- F. Quality Control
- G. Travel
- H. Reports and Printing



3. Cost Estimate for Spare Parts

(including Windows)

- A. Engineering
- B. Glass
- C. Purchases
- D. Fabrication
- E. Quality Control
- F. Travel

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*To be made part of
Contract 11/8/69*

4. Estimated Costs for Acceptance Test Program

Prototype and five additional systems

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Duration of Acceptance Tests (at site)

Project Direction

Project Control

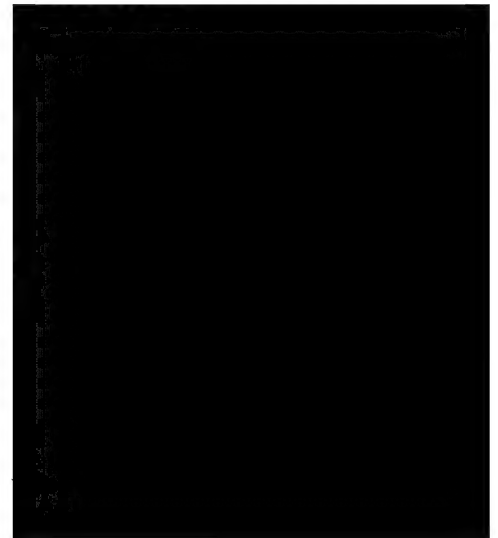
In-plant Support

Acceptance Test Group at Site

Travel and Field Adjustment

Instrumentation

Total Estimated Costs



5. Estimated Costs for Five Additional Systems

Systems Hardware

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A. Project Direction

B. Project Control

C. Engineering

D. Reliability

E. Glass

a. Material

b. Fabrication

c. Tooling

d. Quality Control

F. Windows

a. Material

b. Fabrication

c. Quality Control

d. Travel

G. Purchases

H. Metal

a. Material

b. Fabrication

c. Tooling

d. Quality Control

I. Travel

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6. Estimated Costs for Instruction Manuals

Engineering

Purchase Items

Sub Contract



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Engineer'g

Admin.

Plant
Service

Qual/
Cr

Project Direction
Project Control
Creative Eng'r & Dev
Reliability
System Hardware
Windows

Project Direction
Project Control
Engr'g. & Dev.
Reliability
System Hardware
Windows

Field Support Equip.

Spares

Flight Test
Project

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SUMMARY OF ESTIMATE

Prototype and
Five Additional
Systems

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Prototype

Field Support Equipment

Spare Parts

Acceptance Test Program

Five Additional Systems

Instruction Manuals

Prime Costs

General and Administrative

Total Estimated Cost

Fixed Fee

Total Estimated Cost
and Fixed Fee

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*Negotiated Bid Price
see Contractor's letter 3/10/60*

* Costs contained in Attachment "A" are not included
in this summary.

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*Plus additional guards
Contract*

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ESTIMATED FUNDING REQUIREMENTS

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November 30 - December 31, 1959
January 1 - March 31, 1960
April 1 - June 30, 1960

Fiscal 1960 Funds

July 1 - September 30, 1960
October 1 - December 31, 1960
January 1 - March 31, 1961
March 31 - June 30, 1961

Fiscal 1961 Funds

July 1 - September 30, 1961
October 1 - December 31, 1961
January 1 - March 31, 1962
April 1 - June 30, 1962

Fiscal 1962 Funds

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** Does not include [REDACTED] listed in attachment "A".
which should be funded during this period.

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Attachment III

TERMS AND CONDITIONS

I. Our proposal is based on the award of a Cost-Plus-Fixed-Fee Contract with the understanding that the cost principles set forth in Revision 50 of the Armed Services Procurement Regulations will apply. In addition, the following terms and conditions apply.

A. The following shall be considered allowable items of cost on the performance of this contract.

1. General research as a component part of the Contractor's G & A expense in accordance with the cost principles delineated in Revision 50 to Section 15 of the ASPR. ✓
2. Expenditures by the Contractor for transportation of the personnel directly engaged in the performance of the work hereunder, plus reasonable actual subsistence expenses. ✓
3. Overtime wages, including premium, and shift premium. ✓
4. Progress payments to subcontractors performing work under this contract on a fixed-price basis. ✓
5. Special Costs - The cost of guard services, rental of a station wagon, private telephone lines, receptionist-switchboard operator and a maintenance man in connection with the operation of the secure area of the Contractor's Post Road Plant shall be direct costs under this contract. Rental on the leased Post Road Plant shall be treated as an indirect cost. ✓
6. Extended travel compensation in accordance with Section 805-8 of our Policy and Procedure Manual. Copies of this policy are attached for your information. This is the same policy presently recognized in Part III (11) of Contract LW-473, Amendment No. 5. ✓

B. The fixed fee shall be paid in monthly installments based on allowable costs incurred by the Contractor and approved by the Contracting Officer computed at the same ratio that the total fixed fee stated herein is to the total estimated cost stated herein, subject, however, to the normal [REDACTED] withholding provision on the payment of fee. ✓

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II. Our proposal is further based on the following:

A. No-charge usage of facilities under Contract AF 33(600)-28501 and Contract RE-518.

III. All prices for hardware are quoted F.O.B. Norwalk, Connecticut.